Education Week QRIS Blog Series
By Louise Stoney

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In April 2012, Louise Stoney, co-founder of the Alliance for Early Childhood Finance, served as a guest blogger for Sara Mead's "Policy Notebook" blog that appears in *Education Week*. On the following pages are copies of the blogs, which were published online from April 24 – 27, 2012. Louise's views, which are based on her experience working with states, are provocative. You may agree or disagree but they will definitely make you think. If they prompt a need to respond or speak out, feel free to email the author directly – **louise.stoney@gmail.com**.

QRIS: A Powerful Tool for System Reform
Guest post by Louise Stoney on April 24, 2012

As someone who has worked on early care and education policy and finance in many states, I have come to believe that **Quality Rating and Improvement Systems (QRIS)** are an incredibly powerful tool for system reform. Why? Because a QRIS is more than just a way to involve parents and funders who seek to differentiate early care and education (ECE) programs by quality, or a way to encourage programs to invest time and resources into improving quality; it can also be a way to structure and shape ECE markets. QRIS is a unique accountability and finance mechanism with the capacity to work in both market-based and government-funded ECE. And it is one of the few quality improvement mechanisms --perhaps the only one-- that can not only survive, but actually garner support, in very conservative, cash-strapped, states. QRIS also offers a unique opportunity to begin linking finance to program costs and, in this way, to pave the way for a truly cross-sector structure that bridges funding streams focused on both education and care. I will briefly explore each of these ideas in this introductory blog, and then follow-up with more depth later in the week. Unlike other educational institutions in the United States, early care and education is **largely market-based** Despite increases in public and private funding over the past 20 years, most ECE revenue (about 57% of the total) still comes from the pockets of parents. Government funding is only about 39% of total revenues --and much of that government money is a portable subsidy in the form of a voucher or a tax credit, essentially operating (from a finance and policy perspective) like parent tuition. Within this context, we must create accountability measures that effectively embrace and include the financial contribution and high level of provider choice our families make. Bottom line: we will never address the quality ECE needs of most American children, including most poor children, if we do not.

Many ECE leaders believe that accountability should be rooted in minimum licensing standards, but truth be told there is hardly a state that has been able to raise minimum licensing standards since I started working on ECE policy 30 years ago. It is a political non-starter. And even states that have succeeded in establishing strong licensing standards typically end up with a large amount of unregulated services (either a vast network of underground, illegal care or a significant number of legally exempt center- and home-based ECE, or a combination of the two) because they haven't crafted standards that acknowledge market challenges. QRIS can create a structure that is flexible enough to include a wide range of options with varying degrees of quality as well as a pathway to continuous quality improvement. Standards are structured as a continuum, for example from lower star 1 to higher star 5, that includes minimal care and then steps up, in increments, to the high-quality, more comprehensive services that support long-term positive outcomes.

The improvement part of the equation -- the "I" in QRIS--is crucial, and makes it possible to craft a range of supports to help ECE providers move up the quality ladder. Some providers will improve quickly, some will move more slowly or perhaps only marginally and some won't move up at all. A QRIS makes the difference clear to funders, consumers and the community at large and allows the purchasers--whether they are parents or public programs - to act on that information.

QRIS also creates a pathway for **aligning funding**. We can create all sorts of financing scenarios by linking dollars from various sources to the appropriate level of a QRIS - with higher levels of funding (from sources like state PreK, Head Start, Early Intervention, Preschool Special Ed, child welfare, CCDF, tiered tax credits, etc.) for varying star levels. Additionally, QRIS standards can be used to create a master budget at each star level, to indicate what it is likely to cost to offer services at each quality level and among programs of various sizes, ages of children, length of day, and so forth. Various funding sources can then be included on the revenue side. In short, QRIS makes it possible - for the first time ever - to create a realistic budget, finance framework and accountability structure that is based on cost sharing from multiple sources.
Is QRIS perfect? Hardly. The QRIS approach was crafted by leaders focused on raising the quality of market-based child care centers and family child care homes. These leaders started with a consideration of the low bar that had been set for these programs, which resulted in a low ceiling for some QRIS approaches. And in some states the scope of, and vision for, QRIS is still too narrow and the top-tier standards still too low. However, change is coming. State leaders increasingly view QRIS as a powerful tool for system reform and are beginning to use it as a framework for bringing all sectors of the ECE system together to co-create a new, cross-sector structure for quality, accountability and finance. I believe in that bigger vision and in what the next generation of QRIS can accomplish.

Crafting QRIS Standards That Work Across Sectors
Guest post by Louise Stoney on April 25, 2012.

In my previous post I described QRIS as a powerful tool for early care and education (ECE) system reform if it is used as a framework for co-creating a new, cross-sector structure for quality, accountability and finance. Let's look more closely at what that statement means and how it might look in various states.
The ECE system has multiple funders, regulatory agencies and planning entities, and each typically has its own set of standards and requirements. However, if one maps the program and practitioner and child standards from multiple places - state child care licensing, funding standards from CCDF or PreK, Head Start performance standards, accreditation, and so forth - it becomes clear that the systems include many common elements. If you are willing to sift through the details, carefully assess the research, and boil it down to the most essential ingredients (e.g. factors such as teacher quality, class size, child assessments that are used to inform reflective practice, etc.) you can actually create a pathway for accountability and quality improvement that makes sense out of all these systems.

Some folks might challenge this notion, and underscore that what programs need to do at the lower end of a QRIS is fundamentally different from what they need to do at the higher end. But that difference is typically in scope, scale or complexity of implementation, not in the core elements that yield quality. For example, we know that teacher quality is a key element. At the lower star levels this could mean making sure that program administrators and classroom teachers are aware of the importance of reflective practice and intentional teaching even if they haven't mastered these skills yet. As a program moves up the star levels, teachers would be expected to engage in progressively deeper steps focused on interactions, reflective practice and intentional teaching. For example, at Star 2 teachers would learn more about child development and learn to observe children's behavior and record those observations. At Star 3 they might complete

training on a teacher observation instrument like **CLASS** or **FFT**; at Star 4 they might begin using the instrument and draw up an intentional improvement plan, working, for example, with a coach to improve practice. At Star 5 they are proficient. This is just one example. Clearly other measures can and should be used. I am not suggesting that I know what the right standards are. My point is that we need to figure this out, and acknowledge that creating a structure that can help all ECE settings move in the same direction is hugely important.

I fully understand that what I am suggesting is difficult to implement. Each of the current ECE 'silos' (e.g. child care, Head Start, PreK, early intervention/preschool special education) appears, at first blush, to have its own unique philosophy. All too often the focus is on what keeps the systems apart, what is different among them, rather than what they have in common or what strategies can keep them moving in the same direction. And my worry is that as we build cross-sector QRIS the result will be a process of adding up the myriad requirements (to satisfy each silo) rather than sifting through them all to identify the few elements that are most powerful and most appropriately shared. I see this happening already. As states seek to extend QRIS to include programs that receive Head Start or state PreK funding they are adding new standards, child or classroom assessments or checklists but they aren't taking anything away. So the list of compliance requirements just gets longer, more complex, and more expensive to monitor. Is this necessary? To what extent are we making longer lists of requirements simply because we are afraid to slay some sacred cows or challenge ourselves to stick to a few measures that are most likely to produce results?

Once again, crafting program and practitioner standards focused on effective practice is a place where common needs, and collaborative work, can and should lead. We cannot allow ourselves to be dragged down into the "care" vs. "education" debate or the "regulate facilities" vs. "regulate teachers" quagmire. While each approach has merits, the best answers are likely beyond the dominance of one approach or the other. Effective practice requires reflection, focus, skilled leadership--qualities that include both programs and practitioners, observation and flexibility and that often escape simple measures. To be honest, no one has it right yet. Every ECE sector struggles to effectively measure results. Determining the 'right' set of requirements will require careful thinking by many minds. So let's get to work and figure it out together. Let's embed those best practice standards in QRIS for ALL settings at the higher star levels. And then let's identify the pathway to get there and create 'steps' that we embed in each of the stair steps. To me, that's the real work.

Bottom line--there is something positive that each partner can bring to the table. We need a 'new wave' of QRIS standards that are co-created, and designed to advance in depth and complexity so that they can simultaneously apply to a wide range of ECE settings. You may think this is a pipe dream, but I don't. In my recent reading and analysis of RTT-ELC I saw clear evidence that states are 'getting it' with regard to this new approach to QRIS.

Effective QRIS Technical Assistance and Coaching: Challenges and Opportunities
Guest post by Louise Stoney on April 26, 2012.
Quality standards have meaning only when compliance with them results in improved practice among a significant percentage of programs and practitioners. Results come from a combination of factors -- standards that focus on what matters most, programs that have the desire and resources needed to improve, and access to the technical assistance, training and coaching needed to improve quality. State Quality Rating and Improvement Systems (QRIS) include a technical assistance (TA) component aimed at strengthening ECE program capacity to meet standards. Today's blog will explore the challenges and opportunities of QRIS-related technical assistance.

It is important to be clear about the relationship between TA and the QRIS standards. In most states, TA or coaching is designed to prepare ECE programs for a QRIS rating, facilitate the rating process, or improve the rating. It is not surprising, then, that TA staff **typically spend most of their time with paperwork and checklists**: helping programs assemble the QRIS documentation package or prepare for ERS observations -- because that's what the QRIS requires. A **recent NCCP report on QRIS coaching** found that most TA providers do not focus on "early learning related to school readiness," model a teaching strategy or intentionally observe staff practicing a teaching strategy. Why not? Because in most states excellent teaching won't necessarily boost a QRIS score, and complying with every detailed requirement in an ERS assessment frequently will. In other words, if we want our TA providers to focus on strengthening early learning then we need to re-think our QRIS standards and required documentation. And as I mentioned in my previous blog, I do not believe the answer is adding more requirements but rather challenging ourselves to winnow requirements down to a few standards that are more directly related to reflective practice and child learning and development.

Depending on how it is structured, the cost of QRIS-related TA can be unsustainably high. Without strategic thinking regarding how resources are spent, it is a cost that can grow exponentially as the QRIS grows. Sometimes money is well spent, regardless of the high cost, but in this case I think it is essential to recognize that even the best TA will be lost on an ECE program that does not have the desire, leadership and/or resources needed to improve or maintain improvements over time.

In addition to being somewhat defined by QRIS standards, TA costs are also related to scope, dosage, modality and participation level. States with QRIS that automatically assign every participant a coach, take a 'one-size-fits-all' approach to TA, and link coaching to a program improvement plan with too much focus on documentation are likely to have significant TA costs. Those who make TA available 'on demand', streamline standards and documentation, assume that many providers can complete their own portfolio, or who target TA to time-limited contractual agreements focused on specific outcomes are likely to have more manageable TA costs. Strategic use of web-based tools can also lower TA costs.

Lately I've been reading everything I can get my hands on regarding technical assistance and coaching to improve ECE program quality, in an effort to more fully understand how to spend limited resources. The more I read, the more questions I have. Quite frankly, it is frustrating that the field is not further along in answering key questions such as what makes TA assistance effective or how much support is needed, by whom, and with what focus. Some ECE leaders are convinced that every QRIS participant must receive TA and that all TA services must follow a consistent protocol or approach. Others feel the focus should be on **"intelligent judgment"**, empowering program leaders to keep the focus on reflective practice and to leverage the financial resources to secure a qualified workforce. **Pennsylvania**--which has a unique approach to QRIS technical assistance and has introduced a **"stickiness factor"** measurement to evaluate results--offers some helpful lessons. Indeed, there are no easy answers, but I think it is important to ask -- and seek to answer-the following questions:

- Can we identify the areas where coaching has the greatest benefit (e.g. teaching practices) and those where programs are more likely to succeed on their own without coaching (e.g. health and safety practices)?

- Can we identify which ECE programs are most likely to benefit from TA and which do not have the institutional capacity or resources to improve?

- How can we most effectively help ECE programs with little or no institutional capacity?

- What about issues of race, class, culture? Or accommodations made to address a child's disability or the needs of English Language Learners? TA providers and coaches must understand how these issues uniquely influence program structure, philosophy and teaching practices.

- How should we hold TA providers and coaches accountable? Some states focus on inputs (e.g. TA provider educational credentials or a specific coaching curriculum) while others focus on results (e.g. did the TA actually improve quality?) What do we know about effective accountability in this context?

- How should TA link to professional preparation? What changes are needed in Institutions of Higher Education?

Perhaps the most perplexing issue, in my view, is the challenge posed by ECE programs that simply do not have the resources they need to provide high-quality early learning opportunities, including well-qualified teachers. If we spend our limited dollars to craft QRIS, and linked TA systems, without helping ECE programs secure the ongoing revenues they need to attain and maintain a high quality program, are we setting the stage for failure over the long haul? I will discuss this issue in more detail in my next, and final, post.

Building Systemic Capacity for High-Quality ECE
Guest post by Louise Stoney on April 27, 2012.

Since my focus is finance, I always worry about sustainability. As states craft QRIS, they struggle with the inevitable financial trade-offs. Most states are challenged with budget deficits and hesitant to make long-term financial commitments. They frequently structure QRIS technical assistance as a short-term intervention from a contractor (such as a CCR&R or educational institution) and QRIS financial incentives as small grants, often one-time, focused largely on materials. This is understandable, given resource limitations. But unfortunately this approach doesn't address the very real institutional capacity challenges. To stay focused on continuous quality improvement, most ECE teachers need strong, consistent leadership and supervision on a daily basis - not just a coach who comes into the center for a short stint. And to recruit and retain skilled teaching staff, ECE programs need increased operating revenues for better wages and benefits, not just small, time-limited grants to buy more toys or manipulatives.

Recently I've been working with my colleague, Anne Mitchell, on modeling the cost of QRIS compliance from a provider perspective. That is, what does it actually cost to provide services at each level of a QRIS? While the answer to this question varies across states, a **few lessons** are emerging. Key factors include the size of the program and the power of what we refer to as the **Iron Triangle of ECE Finance**: full enrollment, full fee collection, and rates that cover costs (or grants to cover the gap.) Operating a small, financially sustainable, high-quality ECE program is extremely difficult. Cost models suggest that in states with best practice staff:child ratios (i.e. close to those recommended by NAEYC), a center-based program must serve more than 100 children, maintain enrollment at 95% or higher, and collect all fees in full just to break even. But the average US ECE program enrolls only 75 children; many are even smaller. Given frequent changes in family circumstances, a recession economy, and state CCDF policies that reimburse at rates below market tuition and base payment on attendance rather than enrollment, even centers in high demand find it hard to keep every slot full and collect every tuition dollar, every day of the year.

Some would argue that the appropriate response is to forget about market-based ECE and focus on building supply in school-based PreK programs or in larger, more stable organizations. I don't share that view. There are many parts of the US where this institutional infrastructure simply doesn't exist. And schools aren't like to serve infants and toddlers or offer full-day, year-round ECE. But more importantly, there are many small ECE providers who have deep and meaningful connections with the children and families they serve and who work, against all odds, to keep their programs open. These programs and practitioners are often rooted in communities, connected to faith and neighborhood-based service providers, and trusted by families. They offer families a diverse array of services that may meet the unique needs of their child(ren) or reflect their family culture, ethnicity, language or values. Additionally, small ECE programs - like small businesses across the United States - make an important **economic contribution to regional economies**, creating jobs, purchases and tax dollars.

The financial challenges faced by small, independent ECE providers have led me to rethink the typical business model and begin to work on an alternative approach called **Shared Service Alliances**. A Shared Services Alliance is a community-based partnership comprised of small businesses within a sector working together to share costs and deliver services in a more streamlined and efficient way. Shared Services supports both ECE program sustainability and educational leadership. It enables programs to attain the economies of scale needed to lower costs (e.g. better food prices from bulk purchasing), as well as the economies of specialization needed to perform at higher standard (e.g. a shared mentor teacher to help improve classroom interactions). By participating in an Alliance, center- and home-based ECE providers can remain independent and offer the intimate, relationship-based services that families seek in a small program, but also reap the benefits of a larger, more financially sound, well-staffed, efficient business.

ECE leaders across the US are experimenting with Shared Services in a variety of ways. **Sound Child Care Solutions** in Seattle, used a Shared Services approach to open bi-lingual classrooms in neighborhoods that had previously been unable to support high quality ECE, and their classroom assessment scores are among the highest in the city. The **Children's Home Alliance** in Chattanooga provides management services to small, community-based programs that, prior to joining the Alliance, were struggling financially and unable to maintain staff or provide quality services. Today the centers are providing top-quality services, staff receives competitive wages and benefits and families have access to a host of comprehensive health, mental health and social services. The **Infant Toddler Family Day Care** Alliance in Fairfax, VA has helped families access high quality ECE and also helped home-based providers (many of whom are new immigrants) operate successful businesses and serve a market sector that they were previously unable to reach.

A Shared Services approach helps create the infrastructure and supports that small ECE businesses need to achieve sustainability and remain focused on continuous quality improvement. But it also challenges previous assumptions about QRIS implementation. For example, States currently rate programs by site, so an Alliance or multi-site service provider must document evidence of compliance at each individual site. When administration is centralized and jobs are shared, this approach is unnecessarily burdensome. QRIS Leaders need to think strategically about how a shared approach can both streamline compliance and offer opportunities to meet standards in creative, new ways. Indeed, using Shared Services or other strategies to build systemic capacity for the ECE industry is an important step, and one that has implications for policy and finance in many arenas.